

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 642 (Senator Madden)

Economic and Environmental Affairs

Hunting and Fishing Licenses - Nonresidents - Reciprocity

This bill requires that the fees charged to nonresidents for anglers' licenses and basic hunting licenses shall be at least equal to the fees charged to Maryland residents in the nonresidents home state for a similar license.

Fiscal Summary

State Effect: Potential indeterminate increase in special fund revenue.

Local Effect: None.

Small Business Effect: Potential meaningful.

Fiscal Analysis

State Effect: It is estimated that approximately 40% of nonresident anglers' licenses are purchased by Pennsylvania residents and 10% from Virginia residents. Delaware and District of Columbia residents purchase 30% of nonresident licenses and residents of states that do not border Maryland account for the remaining 20% of nonresident licenses sold. Maryland currently charges \$20 for a nonresident angler's license. Pennsylvania charges nonresidents \$35; Virginia charges \$30.50, and Delaware and Washington, DC charge fees less than \$20. In 1996, 80,238 nonresident fishing licenses were purchased. As a result, the Department of Natural Resources (DNR) could realize a special fund revenue increase of approximately \$565,680 as a result of the difference charged to Pennsylvania and Virginia residents who represent 50% of all nonresident licenses. However, if higher license fees result in these anglers staying at home to fish rather than fishing in Maryland, any increase in revenue would decline proportionately.

In 1996 nonresidents purchased 18,757 nonresident hunting licenses. DNR currently practices reciprocity in the issuing of basic hunting licenses to nonresidents from Pennsylvania, Virginia, West Virginia, and Delaware. Residents of these states are charged \$83 for a nonresident basic hunting license and purchase over 90% of all nonresident basic hunting licenses purchased annually (Marylanders pay the same amount to hunt in these states). All other nonresidents are charged a fee of \$120. Any revenue increase that could result from charging the remaining 10% of nonresidents a fee of more than \$120, if a higher fee were required, is assumed to be minimal.

Nonresidents are currently charged \$35 for a three-day nonresident hunting license (for wild waterfowl). The bill would allow DNR to charge nonresidents the same fee charged to Maryland residents in the nonresidents home state. DNR advises that the \$35 fee charged to nonresidents is on par with the fees charged to Maryland residents in other states for a similar license. Therefore, it is estimated that any resulting revenue increase would be minimal.

Small Business Effect: According to DNR, 80,238 nonresident fishing licenses were sold in 1996. Also, DNR advises that recreational fishing supports approximately 11,400 jobs and produces approximately \$93 million of income tax revenue and \$23.8 million in sales tax revenue. In 1996, 18,757 nonresident hunting licenses were sold. DNR advises that the hunting industry in Maryland supports approximately 2,322 jobs and contributes \$5.5 million in sales tax revenue and \$2 million in income tax revenue annually. To the extent that raising the license fees charged to nonresidents, causes fewer nonresidents to fish in Maryland, small businesses involved in fishing and related tourism activities could be negatively impacted.

Information Source(s): Department of Natural Resources; Department of Legislative Services

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